

**MINUTES
LCWSD BOARD OF DIRECTOR'S MEETING
SEPTEMBER 20, 2016**

PRESENT: President Marc Liechti, Directors Jack Thomson, Roxanne Wadman, Rex Niles, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

ABSENT: None

President Liechti called the meeting to order at 2:00 p.m.

AGENDA: A motion was made by Director Thomson to accept the agenda. Director Heim seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the August 16, 2016 Board meeting were reviewed. A motion was made by Director Niles to accept these Minutes. Director Wadman seconded and motion carried.

VISITORS: None

FINANCIAL REPORT

The Repurchase Agreement (RA) that LCWSD had with Flathead Bank is not offered by First Interstate Bank (who recently took over Flathead Bank). Therefore, these funds were put into a savings account. Rate of return dropped from .15% to .12%.

The Combined Balance Sheet shows current assets at \$2,139,411.52, fixed assets at \$9,046,686.69, total liabilities at \$844,747.25, and total equity at \$10,360,338.96 for a total liabilities and equity balance of \$11,205,086.21.

The Summarized Combined Income Statement shows total revenue through August 2016 to be \$142,212.5 (19% of budget), expenses to be \$166,746.12 (16% of budget), and total other revenue to be \$45,340.02 (23% of budget) resulting in net income of \$20,806.40.

A Comparison to Prior Year Income Statement was presented. Some of the accounts do not show past year numbers because they were carried over to the new software as conversion accounts in July 2015. This Comparison Income Statement breaks out the sewer and four water accounts separately. Of note is the SOC/VOC sampling that was completed in August. Costs were accounted for in August rather than spreading over 12 months.

A motion was made by Director Wadman to approve the financial report. Director Niles seconded and motion carried.

BILL APPROVAL: Accounts payable for August were reviewed. Expenses of note included:

- Scott & Kienzle – White Oak and Somers Agreement Review
- R.C. Worst & Co. – Fish Hatchery Pumps
- M.E. Labs – 6 and 9 Year VOC/SOC Sampling

- Tanner J. Smith Construction – L/S #2 Completion
- Currier's Certified Welding, Inc. – Ready Truck for New Plow
- Xylem Dewatering Solutions Inc. – L/S #2 Pump

The Capital One credit card statement for August was also reviewed.

Director Niles made a motion to approve the bills. Director Wadman seconded and motion carried.

DELINQUENT REPORT: Progress continues in collecting payment from delinquent accounts. One of the accounts that was included in the tax lien file forwarded to the County has been sold and the account brought current. County was notified to delete that account from the tax lien filing.

OLD BUSINESS:

White Oak L/S – The agreement transferring ownership of the White Oak L/S to LCWSD is complete. The grinder pumps are still experiencing some problems. It was determined that the cutter plates and one volute were worn out. New cutter plates have been installed and a new volute arrived today.

South Eighty Water System – the new well construction is complete. APEC will begin conducting pumps tests. Estimated flow is approximately 120 gpm.

Lift Station 2 (near Somers) – VFDs are still interfering with a customer's AM radio. One shielded cable has been installed from the generator building to the junction box at the wet well. Another cable has been ordered and will be installed, hopefully solving the problem.

Rate Increase – Director Niles made a motion to increase the TB/SW/LE base water rate by 5%, from \$13.89 to \$14.59. Direct Heim seconded, and the motion carried.

Shelter Cove Water Pressure

The PRVs are not operating correctly. Montana Rural Water (MRW) is holding a class on PRVs that LCWSD will attend. LCWSD may have MRW assess our PRVs.

New Hookups

Inside District

- 72 Greenbrae Lane
- Ridgeline Cabins (Lot 8)

Outside District

- 1471 Mackinaw (Somers)

NEW BUSINESS:

Board requested Christmas Party be scheduled for Friday, December 9, at Seven in Lakeside.

MISCELLANEOUS

Part Time Operator Position

Position was posted in the Daily Interlake and the Beacon. To date two (2) applications have been received. Position opening closes on September 25.

The meeting adjourned at 3:13 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, OCTOBER 18, 2016)